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FORT WAYNE MARKET NEWS

United States Department of Agriculture
Agricultural Marketing Service
Milk Marketing Orders Division

1123 South Harrison Street
Fort Wayne, Indiana 46802
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Federal Milk Order No. 47

FEB 19 1964

Issued for Information of Producers
Who Are Not Members of Cooperative Associations

Vol VIII No. 2

CURRENT SERIAL RECORDS

February 1964

JANUARY UNIFORM PRICE \$4.04

Dairy farmers who delivered Grade "A" milk to handlers subject to the Fort Wayne milk order in January 1964, will receive a minimum uniform price of \$4.04 per hundredweight for milk testing 3.5%. A butterfat differential of 7.1 cents for each one tenth of one percent that individual tests vary above or below the 3.5% standard will be used. This minimum price is subject to a 4 cent per hundredweight marketing service deduction and authorized hauling charges. The computation of the minimum blend price is shown on page 5 and the class prices on page 4.

The \$4.04 price for January 1964, is 1 cent above the December 1963 price, and 5 cents above the January 1963 price.

PRODUCER RECEIPTS AND UTILIZATION

Approved producers shipped 21,848,345 pounds of milk to the Fort Wayne market during January 1964, of which 16,406,859 pounds or 75.1% was utilized in Class I by 17 pool handlers. Production was up 5.0% from December 1963. Class I utilization of producer milk was up 5.0% from December 1963.

FEBRUARY CLASS I PRICE \$4.37

\$1.20 was added to the January basic formula price of \$3.17 (Wisconsin-Minnesota Series) to establish the Fort Wayne Class I price for February. This price of \$4.37 is 1 cent over the January Class I price.

RECOMMENDED DECISION BY USDA

A recommended decision on which exception are to be filed before March 10, 1964, was issued by the USDA on January 23, 1964, proposing regulatory treatment and pricing of milk in the following categories, under the Fort Wayne and 75 other marketing orders:

- A. SOURCE OF MILK: Nonfederally regulated plants (milk shipped to regulated plants).

Proposed Regulatory Treatment:

1. Milk (packaged or in bulk) received at a regulated plant is allocated a prorata share of the Class I utilization of the receiving handler, (after allocation of packaged milk from other orders and unpriced receipts to be down-allocated) but such milk would be allocated to Class II under the following conditions:

(a) If a Class II classification is requested by the regulated handler;

(b) To the extent such receipts when combined with receipts from producers, from other pool handlers, and from other order plants in bulk are more than 125 percent of the regulated handler's Class I utilization during the month.

2. A Class I minus blend payment would apply on portion allocated to Class I (market pool orders only).

(Continued on Page 6)

FORT WAYNE MILK MARKET NEWSUTILIZATION AND CLASSIFICATION OF ALL MILK RECEIPTS

<u>CLASS I MILK</u>	<u>January 1964</u>		<u>January 1963</u>	
	<u>Milk Pounds</u>	<u>BF Pounds</u>	<u>Milk Pounds</u>	<u>BF Pounds</u>
Fluid Milk	13,891,899	485,475	12,136,919	428,217
Regular Skim Milk	728,219	12,759	271,803	3,996
Skim Milk - Solids Added	1,027,763	18,350	1,191,294	21,950
Buttermilk	114,099	1,122	144,589	1,311
Flavored Milk/Drink	692,864	20,043	637,004	18,422
Cream Mixtures	199,920	24,441	189,375	23,206
Light Cream	7,819	1,542	11,332	2,432
Heavy Cream	16,637	5,787	16,501	5,681
Sour Cream	26,016	4,818	21,844	4,083
Sub Totals	16,705,236	574,337	14,620,661	509,298
Plus Unaccounted For	15,262	1,406	28,301	3,723
Gross Total Class I Milk	16,720,498	575,743	14,648,962	513,021
Less Other Source Receipts	313,639	14,434	246,851	12,499
Less Overages	-0-	-0-	-0-	-0-
Less Beginning Inventory	-0-	-0-	-0-	-0-
<u>CLASS I PRODUCER MILK IN POOL</u>	<u>16,406,859</u>	<u>561,309</u>	<u>14,402,111</u>	<u>500,522</u>
<u>CLASS II MILK</u>				
Class II Production	1,554,080	39,595	1,532,152	31,219
Sales to Nonpool Plants	3,639,919	241,239	2,985,829	218,490
Ending Inventory	1,615,014	66,132	1,538,245	63,611
Dumped or Livestock Feed	63,594	684	55,494	912
Class II Shrinkage	76,913	5,121	144,310	8,288
Gross Total Class II Milk	6,949,520	352,771	6,256,030	322,520
Less Other Source Receipts	19,683	814	24,992	584
Less Overages	27,759	1,234	38,131	88
Less Beginning Inventory	1,460,592	60,272	1,303,202	53,652
<u>CLASS II PRODUCER MILK IN POOL</u>	<u>5,441,486</u>	<u>290,451</u>	<u>4,889,705</u>	<u>268,196</u>
<u>TOTAL PRODUCER MILK IN BOTH CLASSES</u>	<u>21,848,345</u>	<u>851,760</u>	<u>19,291,816</u>	<u>768,718</u>

MISCELLANEOUS INFORMATION

	<u>January</u>	<u>January</u>	<u>January</u>
	<u>1964</u>	<u>1963</u>	<u>1962</u>
Daily Class I Milk (Lbs.)	539,371	472,547	419,912
Current Month Compared With:		+ 14.1%	+ 28.4%
Production per Farm per Day	817	727	599
Current Month Compared With:		+ 12.4%	+ 36.4%
Gross Class I Milk to Producer Milk	76.5%	75.9%	82.0%
Pool Value of Producer Milk	\$944,262	\$835,129	\$722,334
Value of Producer Milk per Farm	\$ 1,094	\$ 994	\$ 845
Wisconsin-Minnesota Series	\$ 3.17	\$ 3.10	\$ 3.30
Butter-Skim Powder Price	\$ 3.03	\$ 3.00	\$ 3.21

RECEIPTS AND CLASSIFICATION OF PRODUCER MILK
(By Months and Monthly Averages)

Month or Year	CLASS I			CLASS II			PRODUCER RECEIPTS (100%)		
	Product Pounds	Per- cent	Ave. Test	Product Pounds	Per- cent	Ave. Test	Product Pounds	Ave. Test	No. of Producers
1958	5,432,954	60.3	3.69	3,583,075	39.7	4.01	9,016,029	3.78	877
1959	5,400,857	61.9	3.65	3,327,343	38.1	4.00	8,728,200	3.74	821
1960	5,906,158	63.3	3.63	3,420,711	36.7	4.10	9,326,869	3.80	817
1961	9,890,439	71.4	3.57	3,953,396	28.6	4.19	13,843,835	3.75	893
<u>1962</u>									
Jan.	12,967,846	81.7	3.56	2,903,760	18.3	5.95	15,871,606	4.00	855
Feb.	11,727,645	82.2	3.60	3,544,941	17.8	5.40	14,272,586	3.92	819
Mar.	13,528,647	81.8	3.58	3,005,482	18.2	5.23	16,534,129	3.88	824
Apr.	12,049,134	75.7	3.54	3,858,571	24.3	4.60	15,907,705	3.80	765
May	12,509,132	68.8	3.50	5,677,878	31.2	4.08	18,187,010	3.68	775
Jun.	11,790,924	71.5	3.52	4,689,249	28.5	3.69	16,480,173	3.57	767
Jul.	11,679,887	77.0	3.49	2,484,840	23.0	3.83	15,164,727	3.57	770
Aug.	12,481,221	84.5	3.46	2,289,735	15.5	4.09	14,770,956	3.56	782
Sep.	12,855,089	83.8	3.45	2,493,284	16.2	4.48	15,348,373	3.62	836
Oct.	13,875,255	81.9	3.48	3,076,464	18.1	4.94	16,951,719	3.75	837
Nov.	13,690,606	80.8	3.52	3,252,253	19.2	5.51	16,942,859	3.90	844
Dec.	13,645,073	74.1	3.54	4,777,978	25.9	5.19	18,423,051	3.97	851
Ave.	12,733,372	78.4	3.52	3,504,536	21.6	4.75	16,237,908	3.77	810
<u>1963</u>									
Jan.	14,402,111	74.7	3.48	4,889,705	25.3	5.48	19,291,816	3.98	856
Feb.	13,757,097	79.0	3.47	3,650,931	21.0	5.69	17,408,028	3.93	846
Mar.	15,839,650	80.5	3.51	3,840,601	19.5	5.30	19,680,251	3.86	854
Apr.	15,186,201	75.6	3.50	4,897,648	24.4	4.52	20,083,849	3.75	863
May	15,156,334	65.8	3.51	7,870,710	34.2	3.80	23,027,044	3.61	872
Jun.	12,819,856	61.0	3.51	8,208,776	39.0	3.56	21,028,632	3.53	867
Jul.	13,744,763	68.1	3.45	6,427,697	31.9	3.67	20,172,460	3.52	881
Aug.	14,344,322	74.6	3.51	4,881,413	25.4	3.68	19,225,735	3.55	890
Sep.	14,360,070	78.8	3.47	3,863,174	21.2	4.27	18,223,244	3.64	896
Oct.	15,696,736	81.7	3.44	3,527,183	18.3	5.03	19,223,919	3.73	883
Nov.	15,472,742	79.2	3.50	4,073,713	20.8	5.20	19,546,455	3.86	891
Dec.	15,628,927	75.1	3.49	5,178,732	24.9	5.33	20,807,659	3.95	870
Ave.	14,700,734	74.2	3.49	5,109,190	25.8	4.63	19,809,924	3.74	872
<u>1964</u>									
Jan.	16,406,859	75.1	3.42	5,441,486	24.9	5.34	21,848,345	3.90	863

FORT WAYNE MILK MARKET NEWS

ORDER NO. 47 PRICES - 3.5% BASIS
(By Months and Monthly Averages)

Month or Year	Basic Formula Price	CLASS I		CLASS II		UNIFORM	BUTTERFAT DIFFERENTIALS		
		Differ- ential	Supply Demand	Milk Price	Milk Price	Milk Price	Class I	Class II	Producer
1958	2.965	1.16	+0.04	4.173	2.965	3.73	.076	.067	.067
1959	3.002	1.16	+0.10	4.264	3.002	3.84	.077	.069	.069
1960	3.046	1.16	+0.12	4.325	3.046	3.88	.077	.068	.068
1961	3.16	1.18	---	4.34	3.16	4.00	.077	.070	.073
1962									
Jan.	3.22	1.20	---	4.42	3.21	4.19	.076	.070	.074
Feb.	3.21	1.20	---	4.41	3.21	4.20	.076	.070	.075
Mar.	3.29	1.20	---	4.49	3.20	4.24	.076	.070	.075
Apr.	3.21	1.20	---	4.41	3.02	3.70*	.076	.067	.073
May	3.05	1.20	---	4.25	2.97	3.51*	.072	.067	.070
Jun.	3.01	1.20	---	4.21	2.95	3.52*	.072	.067	.071
Jul.	3.01	1.20	---	4.21	2.95	3.92	.072	.067	.071
Aug.	3.03	1.20	---	4.23	3.04	4.04	.072	.067	.071
Sep.	3.04	1.20	---	4.24	3.06	4.43*	.072	.067	.071
Oct.	3.06	1.20	---	4.26	3.06	4.38*	.073	.067	.072
Nov.	3.07	1.20	---	4.27	3.09	4.38*	.072	.067	.071
Dec.	3.10	1.20	---	4.30	3.09	3.98	.072	.067	.070
Ave.	3.11	1.20	---	4.31	3.07	4.04	.073	.068	.072
1963									
Jan.	3.11	1.20	---	4.31	3.10	3.99	.072	.067	.070
Feb.	3.10	1.20	---	4.30	3.10	4.04	.072	.067	.070
Mar.	3.10	1.20	---	4.30	3.09	4.05	.072	.067	.071
Apr.	3.09	1.20	---	4.29	3.08	3.64*	.072	.067	.071
May	3.08	1.20	---	4.28	3.07	3.52*	.072	.067	.070
Jun.	3.07	1.20	---	4.27	3.08	3.46*	.072	.067	.070
Jul.	3.08	1.20	---	4.28	3.09	3.91	.072	.067	.070
Aug.	3.09	1.20	---	4.29	3.10	4.00	.072	.067	.071
Sep.	3.10	1.20	---	4.30	3.12	4.46*	.072	.069	.071
Oct.	3.12	1.20	---	4.32	3.14	4.47*	.075	.067	.073
Nov.	3.15	1.20	---	4.35	3.13	4.47*	.073	.067	.071
Dec.	3.16	1.20	---	4.36	3.13	4.03	.073	.067	.071
Ave.	3.10	1.20	---	4.30	3.10	4.00	.072	.067	.071
1964									
Jan.	3.16	1.20	---	4.36	3.13	4.04	.073	.067	.071
Feb.	3.17	1.20	---	4.37			.072		

* "Louisville" plan in effect.

FEDERAL MILK MARKET ADMINISTRATOR
FORT WAYNE INDIANA MARKETING AREA

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Agricultural Marketing Service
Milk Marketing Orders Division
Federal Order No. 47

1122 South Harrison Street
Fort Wayne, Indiana 46802
Phone: 742 - 7401

COMPUTATION OF UNIFORM PRICE
(Based on reports of 17 Handlers)
January 1964

	<u>Milk Pounds</u>	<u>Average Test</u>	<u>Class Prices at Test</u>	<u>Total Value</u>	<u>% of Pounds</u>
Class I	16,406,859	3.4212	\$4.302465	\$705,899.37	75.09%
Class II	5,441,486	5.3377	4.361269	237,317.84	24.91
Total	21,848,345			\$943,217.21	100.00%
Add: Value of Overage				1,044.69	
Add: Value of Other Source Assessments				.00	
Add: Value of Inventory Reclassified				.00	
Pool Value of Producer Milk				\$944,261.90	
Less: Butterfat Adjustment to 3.5%				61,818.23	
Add: 1/2 Cash Balance in Producer Settlement Fund				9,248.51	Rate Per Cwt.
Adjusted Pool Value				\$891,692.18	\$4.0812802
Less: Producer Settlement Fund Reserve				9,019.04	.0412802
ANNOUNCED UNIFORM PRICE FOR 3.5% MILK				\$882,673.14	\$4.04

COMPUTATION OF PRODUCER BUTTERFAT DIFFERENTIAL

	<u>Butterfat</u>	<u>Differentials</u>	<u>Weighted Amount</u>
Class I	561,309	\$ 0.073	\$ 40,975.56
Class II	290,451	0.067	19,460.22
Total	851,760	\$ 0.071	\$ 60,435.78

The announced uniform price (f.o.b. pool plants at which no location adjustments are applicable) of \$4.04 for 3.5% milk is subject to adjustment by the producer butterfat differential of \$0.071 for each 1/10 percent of butterfat over or under 3.5%. This price is also subject to the applicable marketing service deduction and authorized hauling charges.

MINIMUM PRODUCER PRICES AT BUTTERFAT TEST FOR JANUARY 1964

<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>	<u>Test</u>	<u>Price</u>
3.25	\$3.8625	3.70	\$4.1820	4.15	\$4.5015	4.60	\$4.8210
3.30	3.8980	3.75	4.2175	4.20	4.5370	4.65	4.8565
3.35	3.9335	3.80	4.2530	4.25	4.5725	4.70	4.8920
3.40	3.9690	3.85	4.2885	4.30	4.6080	4.75	4.9275
3.45	4.0045	3.90	4.3240	4.35	4.6435	4.80	4.9630
3.50	/ 4.04 /	3.95	4.3595	4.40	4.6790	4.85	4.9985
3.55	4.0755	4.00	4.3950	4.45	4.7145	4.90	5.0340
3.60	4.1110	4.05	4.4305	4.50	4.7500	4.95	5.0695
3.65	4.1465	4.10	4.4660	4.55	4.7855	5.00	5.1050

R. J. Connolly
Market Administrator

Date Announced:
February 11, 1964

RECOMMENDED DECISION BY USDA (Continued from Page 1)

3. Handler would pay administrative assessment on portion allocated to Class I.

- B. SOURCE OF MILK: Nonfederally regulated plants with respect to milk distributed on routes in the market area.

Proposed Regulatory Treatment: Market pool orders only.

1. Nonpool handler may:

(a) Pay dairy farmers for milk received from them according to its classified use value (may be paid entirely to his own dairy farmers or in part to them and in part to a market pool);

(b) Offset in-area route sales with purchases of Class I milk from a marketwide pool order; or

(c) Pay a Class I price minus blend price payment on in-area route sales; or

(d) Any combination of (b) and (c).

2. Administrative assessment is paid on in-area sales less Class I purchases of regulated milk.

- C. SOURCE OF MILK: Producer-handlers, reprocessed nonfluid products and non-Grade A milk.

Proposed Regulatory Treatment: Milk received at a regulated plant is down-allocated with a Class I price minus surplus class price payment on any milk allocated to Class I. Administrative assessment is charged on portion allocated to Class I.

- D. SOURCE OF MILK: Plants regulated under other orders.

Proposed Regulatory Treatment:

On route disposition, no further regulation.

Unless a surplus classification is agreed to by the operators of both the transferring and receiving plants, milk received at a regulated plant:

1. In bulk from a plant under a marketwide pool order, is allocated pro rata to a receiving handler's utilization in each class (at same stage as milk from nonfederally regulated plants). Milk from an individual-handler pool order is subject to "repooling" (i.e., a charge at class prices and a credit at the blend price) in market pool orders.

2. In packages from a plant under either a market pool or individual-handler pool order, assignment is 98 percent to Class I milk and 2 percent to Class II milk.